

EXHIBIT 1A

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<p style="text-align: right;">Page 133</p> <p>1 that any money came in for investment at 2 Wealth Builders International and it ended 3 up going into a checking account for 4 Networker2000, or any of its versions?</p> <p>5 A. If it did, it would have been 6 something briefly to the point where it was 7 just to cash the person's check so we could 8 send a certified check to Wealth Builders. 9 And it never stayed there.</p> <p>10 Q. Never used for operating 11 expenses at Networker2000?</p> <p>12 A. Of course not. That belong to 13 Wealth Builders International.</p> <p>14 Q. So, it is your testimony today 15 that you have -- until today, you have not 16 ever seen that second letter in Exhibit 9?</p> <p>17 A. I don't recall seeing it. 18 With all this stuff going on, you can't say 19 nothing definitely.</p> <p>20 Q. I'll show you Exhibit 10. Do 21 you recognize that, Mr. Harris?</p> <p>22 A. Yes, I do.</p> <p>23 Q. Does it bear your signature?</p>	<p style="text-align: right;">Page 135</p> <p>1 Q. Who do you believe wrote it? 2 A. It could have been written by 3 -- written by anybody.</p> <p>4 Q. Who gave it to you to sign?</p> <p>5 A. I don't think nobody gave it 6 to me to sign.</p> <p>7 Q. How do you believe your 8 signature came to be on this letter?</p> <p>9 A. I don't know. Because when is 10 this letter was sent, I was out of town.</p> <p>11 Q. You know that on April 15, 12 2003, you were out of town?</p> <p>13 A. I think I was in Miami at that 14 time.</p> <p>15 Q. All right. This doesn't say 16 where it was mailed from.</p> <p>17 A. I wouldn't have access to a 18 computer or anything to type this on. I'm 19 not sure how this letter got my signature on 20 it. I just don't -- It's been a long time 21 ago.</p> <p>22 Q. All right. Irrespective of 23 the letter bearing your signature, did you,</p>
<p style="text-align: right;">Page 134</p> <p>1 A. It appears to be my signature.</p> <p>2 Q. Can you say that is your 3 signature?</p> <p>4 A. I can't say nothing for sure.</p> <p>5 Q. Do you recall drafting that 6 letter?</p> <p>7 A. No, I don't remember drafting 8 that letter.</p> <p>9 Q. Do you recall sending it?</p> <p>10 A. No, I don't recall sending 11 that letter.</p> <p>12 Q. Do you know that you wrote 13 Charles Schwab and told them to -- and 14 authorized them to liquidate all stock and 15 option positions in the Wealth Builders 16 International account?</p> <p>17 A. Did I call Charles Schwab and 18 tell them --</p> <p>19 Q. No. Did you write them and 20 tell them to do what that letter says?</p> <p>21 A. I did not write this letter.</p> <p>22 Q. Did you sign this letter?</p> <p>23 A. It appears to be my signature.</p>	<p style="text-align: right;">Page 136</p> <p>1 Terry Harris, tell Charles Schwab -- 2 authorize it to liquidate all stock and 3 option positions in the Wealth Builders 4 International account, at market price on 5 Thursday April 17, 2003?</p> <p>6 A. No. Everything that was done 7 was authorized by the Alabama Securities 8 Commission.</p> <p>9 Q. I'm not talking about 10 authorized. Was this something you did, 11 whether it was authorized by them or not?</p> <p>12 A. I just told you I didn't write 13 that letter.</p> <p>14 Q. And I just asked you did you 15 authorize it any other way, by a telephone 16 call or otherwise?</p> <p>17 A. No, I didn't. I didn't 18 authorize nothing. And nothing was in my 19 control.</p> <p>20 Q. And do you understand that 21 Charles Schwab did what this letter 22 requested?</p> <p>23 A. I would assume they did. I</p>

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<p style="text-align: center;">Page 137</p> <p>1 don't know. They probably did. Or they may 2 not have. I don't know. What's -- I mean, 3 what part of the letter you talking about 4 that they did?</p> <p>Q. I'm talking about did they, on Thursday, April 17, 2003, liquidate all stock and option positions in the Wealth Builders International account?</p> <p>9 A. I don't remember if they did 10 or not.</p> <p>Q. But you're saying today you did not write this letter?</p> <p>13 A. No, I did not write this 14 letter.</p> <p>Q. And now you believe you did not sign it?</p> <p>17 A. I don't know whether I signed 18 it or not. I don't think I could have 19 signed this letter if I was in Miami, and I 20 didn't write it. So I'm not sure how that 21 signature get on there.</p> <p>Q. So, Ms. Watford was also wrong when she testified that you tried to send a</p>	<p style="text-align: center;">Page 139</p> <p>1 more than three years since then, what makes 2 you recall that you were in Miami at this 3 time?</p> <p>4 A. I remember getting a call from 5 Dorothy Watford saying that the Alabama 6 Securities Commission is demanding some kind 7 of authorization because they're forcing us 8 to liquidate all the funds in the account.</p> <p>Q. And did you tell her to sign your name?</p> <p>11 A. I don't remember what I did. 12 I don't know how that signature get there. 13 I don't know whether she signed it or not.</p> <p>Q. Well, now, you were the only one who could authorize Charles Schwab to liquidate all stock and option positions in Wealth Builders International, weren't you?</p> <p>18 A. I don't agree with that 19 statement. Only Alabama Securities 20 Commission could authorize anything at that 21 time because they the one that ordered 22 everything to be stopped and frozen.</p> <p>Q. I'm asking about who had</p>
<p style="text-align: center;">Page 138</p> <p>1 version of this letter with a proviso on it: 2 I think this is going to cause losses?</p> <p>3 A. I don't know. Only thing I 4 can say, this letter was not written by me. 5 It appears to be my signature on it. And I 6 don't understand how it could have gotten on 7 this authorization if I was not in town on 8 the date that it was done.</p> <p>Q. What were you doing in Miami?</p> <p>10 A. Vacation.</p> <p>Q. Where did you stay down there?</p> <p>12 A. I don't even remember that. 13 It might have been -- I don't know.</p> <p>Q. In a hotel?</p> <p>15 A. It had to be a hotel.</p> <p>Q. Who was with you?</p> <p>17 A. By myself.</p> <p>Q. How long did you stay down there?</p> <p>20 A. I'm not sure.</p> <p>Q. What makes you recall that you were down there? You know, you have difficult recalling stuff. And here we are</p>	<p style="text-align: center;">Page 140</p> <p>1 account authority over these accounts?</p> <p>2 A. I didn't have no authority. 3 If I had went to Charles Schwab and say: I 4 want this account liquidated across the 5 board, they wouldn't have done nothing I 6 said unless Alabama Security Commission had 7 told them to liquidate across the board.</p> <p>8 So I had no authority at that 9 time. I had no authorization. All the 10 authorization came from the Alabama 11 Securities Commission.</p> <p>Q. Are you waiving Fifth Amendment rights about whether you were the person that authorized this? You made some reference that you were claiming the Fifth Amendment on about all of these Schwab accounts.</p> <p>18 A. I'm saying I did not have 19 authorization. So I couldn't authorize it.</p> <p>Q. So, you couldn't have written this letter, you're saying?</p> <p>22 A. I'm saying I didn't write this 23 letter. I could have. I could write it</p>

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<p style="text-align: right;">Page 141</p> <p>1 right now.</p> <p>2 Q. No. Your lawyer wouldn't let 3 you.</p> <p>4 A. If you give me a computer, I 5 could write it right down.</p> <p>6 Q. All right. I don't believe 7 you. Write that letter for me.</p> <p>8 MR. PENICK: He said with a 9 computer.</p> <p>10 THE WITNESS: Get me a 11 computer.</p> <p>12 (Defendant's Exhibit 11 13 was marked for 14 identification purposes.)</p> <p>15 Q. Exhibit 11 is a letter from 16 Andrew Chambliss, who you said was your 17 lawyer at Berkowitz Lefkovits, to Charles 18 Schwab. And it says: In accordance with 19 the liquidation procedures detailed in the 20 letter from the Alabama Securities 21 Commission dated April 1, the liquidation 22 plan, and pursuant to the letter of 23 authorization from Terry Harris enclosed</p>	<p style="text-align: right;">Page 143</p> <p>1 from it.</p> <p>2 Q. Mr. Harris, that would have 3 kept you trading in a pooled account, which 4 was exactly what the Alabama Securities 5 Commission said you were violating the law 6 by doing; isn't that correct?</p> <p>7 A. What law did they say I 8 violated?</p> <p>9 Q. The Alabama Securities Law?</p> <p>10 A. Which law?</p> <p>11 Q. The ones that -- One of the 12 ones you pled guilty to.</p> <p>13 A. Acting as an investment 14 advisor representative without a license?</p> <p>15 That was several exemptions there. That was 16 no violation of no laws. Even Susan 17 Anderson said it on the stand.</p> <p>18 Q. Mr. Harris, did you look over 19 the complaint before you filed it -- this 20 complaint in this case, Terry Harris and 21 Dorothy Watford versus Joseph Borg? Did you 22 read it?</p> <p>23 A. I probably just signed it.</p>
<p style="text-align: right;">Page 142</p> <p>1 herewith. Now, did you understand that your 2 lawyers sent a letter of authorization from 3 you to Charles Schwab?</p> <p>4 A. I don't know what they did.</p> <p>5 Q. Do you understand that this 6 letter you just said you did not write was 7 enclosed in a letter from your attorney to 8 Charles Schwab?</p> <p>9 A. Like I say, I don't know what 10 they did.</p> <p>11 Q. All I know, is that if 12 something weren't done, the Alabama Security 13 Commission would have planned on doing full 14 prosecution -- criminal prosecution, and 15 completely shutting down Networker2000, and 16 sending Terry Harris to jail.</p> <p>17 Now, if I had authorization, I 18 wouldn't be liquidating nothing across the 19 board. I would have been, you know, just 20 every day managing that account to the point 21 where, you know, if something need to be 22 liquidated, I would sell it, but if 23 something was going up, just reap the profit</p>	<p style="text-align: right;">Page 144</p> <p>1 Q. You signed it without an 2 attorney. Were you acting as your own 3 attorney on this?</p> <p>4 A. I must have, if I signed it 5 without an attorney.</p> <p>6 Q. Well, were you -- Who prepared 7 it for you?</p> <p>8 A. I believe it was Henry Penick.</p> <p>9 Q. Were you representing 10 Ms. Watford in signing this thing?</p> <p>11 A. I can't represent nobody. I'm 12 not an attorney.</p> <p>13 Q. This begins -- This complaint 14 begins: This is a suit for race 15 discrimination. And I want you to do your 16 best, today, to tell me -- Well, first, I 17 want you to tell me of any white person who 18 did what you did, but who was not 19 prosecuted.</p> <p>20 A. There are several white people 21 that own legitimate companies in the state 22 of Alabama, that's not involved in 23 securities, that haven't been prosecuted on</p>

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1 REPORTER'S CERTIFICATE
2 STATE OF ALABAMA,
3 ELMORE COUNTY,
4 I, Angela Smith, Registered
5 Professional Reporter and Commissioner for
6 the State of Alabama at Large, do hereby
7 certify that the above and foregoing
8 proceeding was taken down by me by
9 stenographic means, and that the content
10 herein was produced in transcript form by
11 computer aid under my supervision, and
12 that the foregoing represents, to the best
13 of my ability, a true and correct
14 transcript of the proceedings occurring on
15 said date and at said time.

16 I further certify that I am neither
17 of kin nor of counsel to the parties to the
18 action; nor in any manner interested in the
19 result of said case.

20

21

22 Angela Smith, RPR, CRR,
23 for the State of
 Alabama at Large.

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